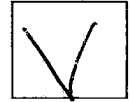


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02033A  
Valley Pioneer's Water Company, Inc.  
5998 W. Chino Dr.  
Golden Valley, AZ 86413

RECEIVED

APR 23 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
----	----	------

FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

4-24-07

SCANNED

## COMPANY INFORMATION

**Company Name (Business Name)** VALLEY PIONEERS WATER CO INC

**Mailing Address** 5998 WEST CHINO DRIVE

(Street)

GOLDEN VALLEY

(City)

ARIZONA

(State)

86413

(zip)

928-565-4663

Telephone No. (Include Area Code)

928-565-2971

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** vpwc@citlink.net

**Local Office Mailing Address** 5998 WEST CHINO DRIVE

(Street)

GOLDEN VALLEY

(City)

ARIZONA

(State)

86413

(zip)

928-565-4663

Local Office Telephone No. (Include Area Code)

928-565-2971

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** vpwc@citlink.net

## MANAGEMENT INFORMATION

**Management Contact:** JOHN CLAYTON

(Name)

MANAGER

(Title)

4260 SHIPP DRIVE

(Street)

GOLDEN VALLEY

(City)

ARIZONA

(State)

86413

(zip)

928-565-4374

Telephone No. (Include Area Code)

928-565-2971

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address:** vpwc@citlink.net

**On Site Manager:** JOHN CLAYTON

(Name)

5998 WEST CHINO DRIVE

(Street)

GOLDEN VALLEY

(City)

ARIZONA

(State)

86413

(zip)

928-565-4374

Telephone No. (Include Area Code)

928-565-2971

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address:** vpwc@citlink.net

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: JEFFREY A. GOLDBERG

(Name)

730 EAST BEALE

(Street)

KINGMAN

(City)

ARIZONA

(State)

86401

(zip)

928-753-6115

Telephone No. (Include Area Code)

928-753-7991

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: JEFFREY A. GOLDBERG

(Name)

730 EAST BEALE

(Street)

KINGMAN

(City)

ARIZONA

(State)

86401

(zip)

928-753-6115

Telephone No. (Include Area Code)

928-753-7991

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☒ Other (Describe) NONPROFIT CORPORATION

### COUNTIES SERVED

Check the box below for the counties in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☒ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

VALLEY PIONEERS WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$0.00	\$0.00	\$0.00
302	Franchises	0.00	0.00	0.00
303	Land and Land Rights	98,021.00	0.00	98,021.00
304	Structures and Improvements	202,343.34	89,143.84	113,199.50
307	Wells and Springs	1,710,206.31	690,018.84	1,020,187.47
311	Pumping Equipment	268,521.95	208,312.03	60,209.92
320	Water Treatment Equipment	3,741.04	2,245.07	1,495.97
330	Distribution Reservoirs and Standpipes	392,439.59	189,570.94	202,868.65
331	Transmission and Distribution Mains	2,262,824.00	482,829.90	1,779,994.10
333	Services	347,848.61	63,692.28	284,156.33
334	Meters and Meter Installations	174,932.25	47,078.24	127,854.01
335	Hydrants	11,807.71	720.05	11,087.66
336	Backflow Prevention Devices	0.00	0.00	0.00
339	Other Plant and Misc. Equipment	0.00	0.00	0.00
340	Office Furniture and Equipment	53,119.32	41,629.44	11,489.88
341	Transportation Equipment	89,612.22	67,786.89	21,825.33
343	Tools, Shop and Garage Equipment	15,981.95	7,873.62	8,108.33
344	Laboratory Equipment	0.00	0.00	0.00
345	Power Operated Equipment	37,827.62	37,827.62	0.00
346	Communication Equipment	0.00	0.00	0.00
347	Miscellaneous Equipment	5,683.92	1,072.38	4,611.54
348	Other Tangible Plant	0.00	0.00	0.00
	TOTALS	\$5,674,910.83	\$1,929,801.14	\$3,745,109.69

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

VALLEY PIONEERS WATER COMPANY, INC.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization	\$0.00	0.00%	\$0.00
302	Franchises	0.00	0.00%	0.00
303	Land and Land Rights	98,021.00	0.00%	0.00
304	Structures and Improvements	202,343.34	2.49%	5,033.06
307	Wells and Springs	1,710,206.31	3.33%	57,006.88
311	Pumping Equipment	268,521.95	2.94%	7,897.52
320	Water Treatment Equipment	3,741.04	2.50%	93.53
330	Distribution Reservoirs and Standpipes	392,439.59	2.22%	8,720.88
331	Transmission and Distribution Mains	2,262,824.00	1.95%	44,115.70
333	Services	347,848.61	3.22%	11,196.06
334	Meters and Meter Installations	174,932.25	2.46%	4,297.16
335	Hydrants	11,807.71	1.86%	219.31
336	Backflow Prevention Devices	0.00	0.00%	0.00
339	Other Plant and Misc. Equipment	0.00	0.00%	0.00
340	Office Furniture and Equipment	53,119.32	7.54%	4,004.27
341	Transportation Equipment	89,612.22	15.06%	13,491.25
343	Tools, Shop and Garage Equipment	15,981.95	5.00%	799.10
344	Laboratory Equipment	0.00	0.00%	0.00
345	Power Operated Equipment	37,827.62	5.83%	2,206.33
346	Communication Equipment	0.00	0.00%	0.00
347	Miscellaneous Equipment	5,683.92	5.00%	284.20
348	Other Tangible Plant	0.00	0.00%	0.00
	<b>TOTALS</b>	<b>5,674,910.83</b>		<b>159,365.25</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

BALANCESHEET

Acct •No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 376,027.34	\$ 108,901.40
134	Working Funds	72,115.74	46,281.41
135	Temporary Cash Investments	51,901.71	59,074.97
141	Customer Accounts Receivable	37,313.72	102,151.82
146	Notes/Receivables from Associated Companies	0.00	0.00
151	Plant Material and Supplies	40,395.84	83,511.44
162	Prepayments	0.00	0.00
174	Miscellaneous Current and Accrued Assets	6,731.21	8,617.11
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 584,485.56</b>	<b>\$ 408,538.15</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 5,394,520.70	\$ 5,674,910.83
103	Property Held for Future Use	0.00	0.00
105	Construction Work in Progress	385,375.08	440,818.23
108	Accumulated Depreciation - Utility Plant	(1,769,531.16)	(1,929,801.14)
121	Non-Utility Property	0.00	0.00
122	Accumulated Depreciation - Non Utility	0.00	0.00
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 4,010,364.62</b>	<b>\$ 4,185,927.92</b>
	<b>TOTAL ASSETS</b>	<b>\$ 4,594,850.18</b>	<b>\$ 4,594,466.07</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

## BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 64,662.67	\$ 25,862.23
232	Notes Payable (Current Portion)	33,922.23	48,187.28
234	Notes/Accounts Payable to Associated Companies	0.00	0.00
235	Customer Deposits	92,613.25	78,118.85
236	Accrued Taxes	56,822.74	2,702.23
237	Accrued interest	0.00	0.00
241	Miscellaneous Current and Accrued Liabilities	21,000.00	21,000.00
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 269,020.89</b>	<b>\$ 175,870.59</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 1,518,618.95	\$ 1,373,172.36
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ 0.00	\$ 0.00
252	Advances in Aid of Construction	818,202.78	966,157.50
255	Accumulated Deferred Investment Tax Credits	0.00	0.00
271	Contributions in Aid of Construction	907,446.91	907,446.91
272	Less: Amortization of Contributions	(363,271.24)	(388,679.75)
281	Accumulated Deferred Income Tax	0.00	0.00
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 1,362,378.45</b>	<b>\$ 1,484,924.66</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 3,150,018.29</b>	<b>\$ 3,033,967.61</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 0.00	\$ 0.00
211	Paid in Capital in Excess of Par Value	0.00	0.00
215	Retained Earnings	1,444,831.89	1,560,498.46
218	Proprietary Capital (Sole Props and Partnerships)	0.00	0.00
	<b>TOTAL CAPITAL</b>	<b>\$ 1,444,831.89</b>	<b>\$ 1,560,498.46</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 4,594,850.18</b>	<b>\$ 4,594,466.07</b>

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 892,913.61	\$ 1,036,947.06
460	Unmetered Water Revenue	103,821.41	70,144.34
474	Other Water Revenues	87,258.18	69,737.71
	<b>TOTAL REVENUES</b>	<b>\$ 1,083,993.20</b>	<b>\$ 1,176,829.11</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 206,119.65	\$ 269,234.03
610	Purchased Water	0.00	0.00
615	Purchased Power	206,530.68	224,828.77
618	Chemicals	3,048.76	6,228.88
620	Repairs and Maintenance	47,284.19	139,140.64
621	Office Supplies and Expense	29,615.77	98,269.88
630	Outside Services	11,499.12	16,207.09
635	Water Testing	8,286.62	14,874.16
641	Rents	12,212.36	7,544.40
650	Transportation Expenses	18,239.34	22,693.03
657	Insurance - General Liability	17,903.00	20,065.00
659	Insurance - Health and Life	87,477.24	65,063.93
666	Regulatory Commission Expense - Rate Case	1,978.11	0.00
675	Miscellaneous Expense	58,829.61	(31,885.02)
403	Depreciation Expense	150,561.26	159,365.25
408	Taxes Other Than Income	7,902.15	5,062.55
408.11	Property Taxes	43,056.28	43,581.92
409	Income Tax	0.00	0.00
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 910,544.14</b>	<b>\$ 1,060,274.51</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 173,449.06</b>	<b>\$ 116,554.60</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	interest and Dividend Income	\$ 5,083.53	\$ 8,750.67
421	Non-Utility Income	25,051.11	12,513.96
426	Miscellaneous Non-Utility Expenses	0.00	0.00
427	Interest Expense	(108,902.36)	(68,890.09)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (78,767.72)</b>	<b>\$ (47,625.46)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 94,681.34</b>	<b>\$ 68,929.14</b>



**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	04/16/75	05/02/91	10/17/03	01/25/02
Source of Loan	Rural Development RD 91-04	Rural Development RD 91-06	Rural Development RD 91-09	W.I.F.A.
ACC Decision No.			66391	
Reason for Loan	System Improvements	System Improvements	System Additions and Improvements	System Improvements
Dollar Amount Issued	\$ 50,000.00	\$ 250,000.00	\$ 1,198,000.00	\$ 120,000.00
Amount Outstanding	\$ 14,805.88	\$ 197,110.37	\$ 1,043,651.14	\$ 100,490.90
Date of Maturity	10/31/12	04/20/28	09/17/43	01/01/22
Interest Rate	5.000 %	5.875 %	4.750 %	4.725 %
Current Year Interest	\$ 799.28	\$ 11,725.25	\$ 49,850.50	\$ 3,940.31
Current Year Principle	\$ 2,164.72	\$ 4,534.75	\$ 35,221.50	\$ 5,489.05

Meter Deposit Balance at Test Year End	\$	132,060.28
--	----	------------

Meter Deposits Refunded During the Test Year	\$	0.00
--	----	------

COMPANY NAME VALLEY PIONEERS WATER CO INC

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #5	LOAN #6	LOAN #7	LOAN#8
Date Issued	05/03/99			
Source of Loan	Stockmen's Bank			
ACC Decision No.				
Reason for Loan	Well Replacement			
Dollar Amount Issued	\$ 180,000.00	\$	\$	\$
Amount Outstanding	\$ 143,395.02	\$	\$	\$
Date of Maturity	04/03/19			
Interest Rate	6.000 %	%	%	%
Current Year Interest	\$ 9,851.75	\$	\$	\$
Current Year Principle	\$ 6,200.22	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-610757 & 55-610756	60	120		12	3	
55-610756	100	170		12	3	
55-532211	75	84		16	3	
55-623082	350	1,000	1,200	20	6	
55-623083	350	1,000	1,200	20	6	
55-623081	350	1,000	1,200	20	6	

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7 1/2	14	12	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
500,000	2	n/a	
250,000	1		
125,000	2		
17,000 - 85,000	6		

## WATER COMPANY PLANT DESCRIPTION (CONTINUED)

## MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	27,984
3	PVC	4,680
4	PVC	189,147
5		
6	PVC	162,314
8	PVC	24,095
10		
12	PVC	11,460
	AC	31,680

## CUSTOMER METERS

Size (in inches)	Quantity
5/8 x3/4	1,955
3/4	0
1	9
1 1/2	2
2	14
Comp. 3	1
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

## TREATMENT EQUIPMENT:

Chlorination equipment at each PDE x 4

Chlorination equipment at each booster station x 1

## STRUCTURES:

1 - 7,000 square foot warehouse and office building, 2 - 500 sq ft warehouses

1 - 750 square foot office building

5 - 120 square foot booster station buildings

## OTHER:

COMPANY NAME: VALLEY PIONEERS WATER COMPANY, INC.

## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	1,950	16,332	16,750
FEBRUARY	1,967	11,360	13,336
MARCH	1,979	12,226	14,340
APRIL	1,986	11,793	14,012
MAY	1,999	17,427	19,440
JUNE	2,007	26,570	29,131
JULY	2,003	20,620	23,277
AUGUST	2,002	25,274	29,506
SEPTEMBER	1,997	20,114	22,939
OCTOBER	2,003	18,269	21,730
NOVEMBER	2,022	15,391	17,749
DECEMBER	2,029	16,945	19,897
TOTAL		NIA	242,107

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      (x) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system.    #3 - 7.6 ppb    mg/l  
(If more than one well, please list each separately)

#5 - 8.1 ppb

#1,2,4 - offline

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME VALLEY PIONEERS WATER COMPANY, INC. YEAR ENDING 12/31/2006

## PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 43,556.80

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

Valley Pioneers Water Co., Inc.  
1000 E. 1st Street  
Goldfish Valley, AZ 86402

THE STATE OF ARIZONA  
15127

1000/2006

PAY TO THE ORDER OF Maricopa County Treasurer \$ 22,040.14

Twenty Two Thousand Four and 14/100

Maricopa County Treasurer  
PO Box 772  
Kingman, AZ 86402-0772

94270400, 94270430, 94270434

0015127F 0122105065C 0010007615P 00002204014

Ck# 15127 Date 11/3/2006 Amt \$22,040.14

VALLEY PIONEERS WATER CO., INC.  
1000 E. 1st Street  
Goldfish Valley, AZ 86402

THE STATE OF ARIZONA  
14729

100-1-9900-30910

CHECK NO. 14729 DATE Apr 28, 2006 AMOUNT \*\*\*321,434.72

MEMO: Year Ending 2005

PAY TO THE ORDER OF Maricopa County Finance Dept \$ 21,434.72

Maricopa County Finance Dept  
PO Box 870  
809 E Beale St  
Kingman, AZ 86402

0014729F 0122105065C 0010007615P 00002143472

Ck# 14729

Date 05/10/06

Amt \$21,434.72

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 23 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) MOHAVE
NAME (OWNER OR OFFICIAL) TITLE HENRY PEAIRS, PRESIDENT
COMPANY NAME VALLEY PIONEERS WATER COMPANY, INC.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

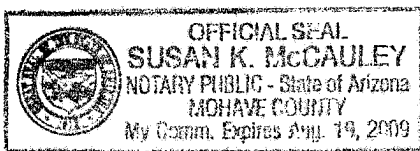
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



*Henry Peairs*  
SIGNATURE OF OWNER OR OFFICIAL

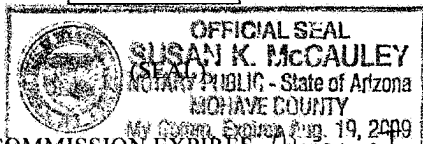
928-565-4663

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17<sup>th</sup> DAY OF



MY COMMISSION EXPIRES August 19, 2009

COUNTY NAME MOHAVE	
MONTH <u>APRIL</u>	<u>2007</u>

*Susan K McCauley*  
SIGNATURE OF NOTARY PUBLIC

**COMPANY NAME** VALLEY PIONEERS WATER COMPANY, INC.

**YEAR ENDING 12/31/2006**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>n/a</u>
Estimated or Actual Federal Tax Liability	<u>n/a</u>

State Taxable Income Reported	<u>n/a</u>
Estimated or Actual State Tax Liability	<u>n/a</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>n/a</u>
Total Grossed-Up Contributions/Advances	<u>n/a</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4-17-07  
DATE

HENRY PEAIRS  
PRINTED NAME

PRESIDENT  
TITLE



VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

RECEIVED

APR 23 2007

7 CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) MOHAVE	
NAME (OWNER OR OFFICIAL) HENRY PEAIRS	TITLE PRESIDENT
COMPANY NAME VALLEY PIONEERS WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO TIRE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAUD UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

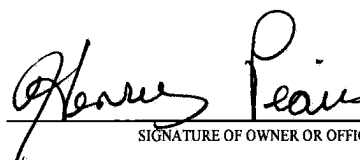
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 1,176,829.11

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 63,391.35  
IN SALES TAXES BILLED, OR COLLECTED)

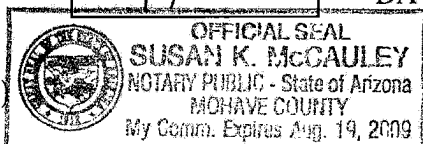
\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL  
928-565-4663  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME


A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF

(SEAL)   
MY COMMISSION EXPIRES

August 19, 2009

NOTARY PUBLIC NAME Susan K McCauley	
COUNTY NAME MOHAVE	
MONTH April	2007

X   
SIGNATURE OF NOTARY PUBLIC